



## **2023 REVIEW OF THE NATIONAL FREIGHT AND SUPPLY CHAIN STRATEGY**

### **AUSTRALIAN TRUCKING ASSOCIATION SUBMISSION 13 OCTOBER 2023**

#### **1. About the Australian Trucking Association**

The Australian Trucking Association (ATA) is a united voice for our members on trucking issues of national importance. Together, we represent the 59,000 businesses and 200,000 people who make up the Australian trucking industry.

#### **2. Introduction**

In 2019, with the support of all levels of government, Australia adopted the National Freight and Supply Chain Strategy (Strategy). The strategy is supported by five-year action plans. The 2019-2024 National Action Plan (NAP) outlined four critical areas:

- Smarter and targeted infrastructure investment
- Enable improved supply chain efficiency
- Better planning, coordination and regulation
- Better freight location and performance data

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is undertaking public consultations and will report to Infrastructure and Transport Ministers by the end of 2023. An updated Strategy and new NAP will be released in 2024.

#### **3. Performance of the 2019-2024 Five Year Plan**

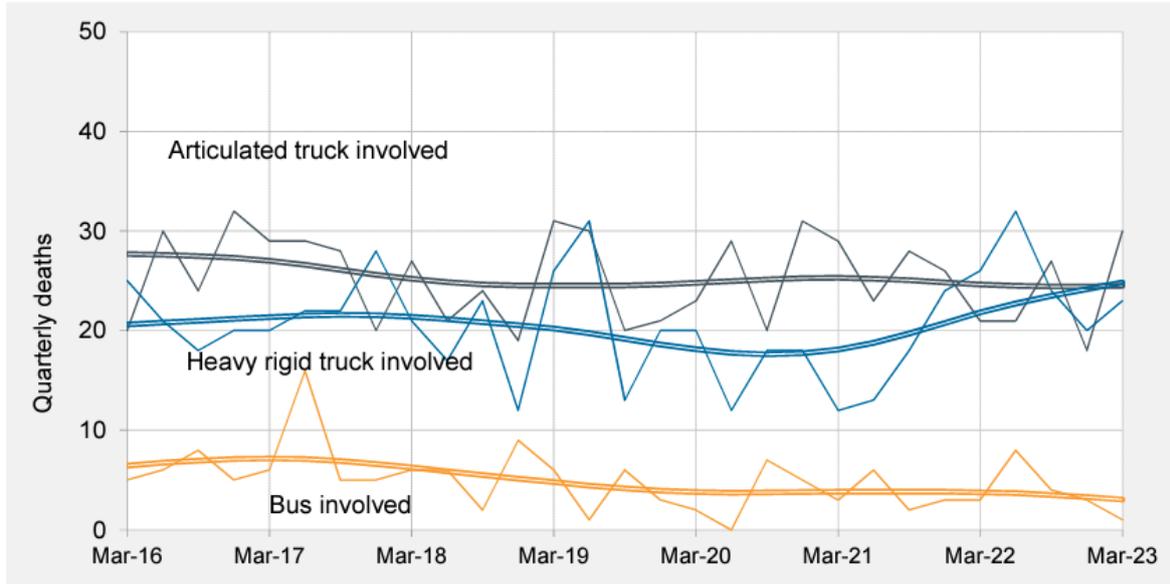
Objective measures of safety and productivity indicate that the 2019-24 Strategy and NAP have been a failure.

In the 12 months to the end of March 2023, 188 people died in crashes involving heavy trucks, including 96 deaths involving articulated vehicles and 99 deaths involving rigid trucks<sup>1</sup> (Figure 1).

In the period since the 2019 five-year action plan commenced, deaths involving articulated trucks remain largely unchanged, while deaths involving rigid trucks have increased significantly, including by an average of 28.5 per cent per year over the three years to March 2023.

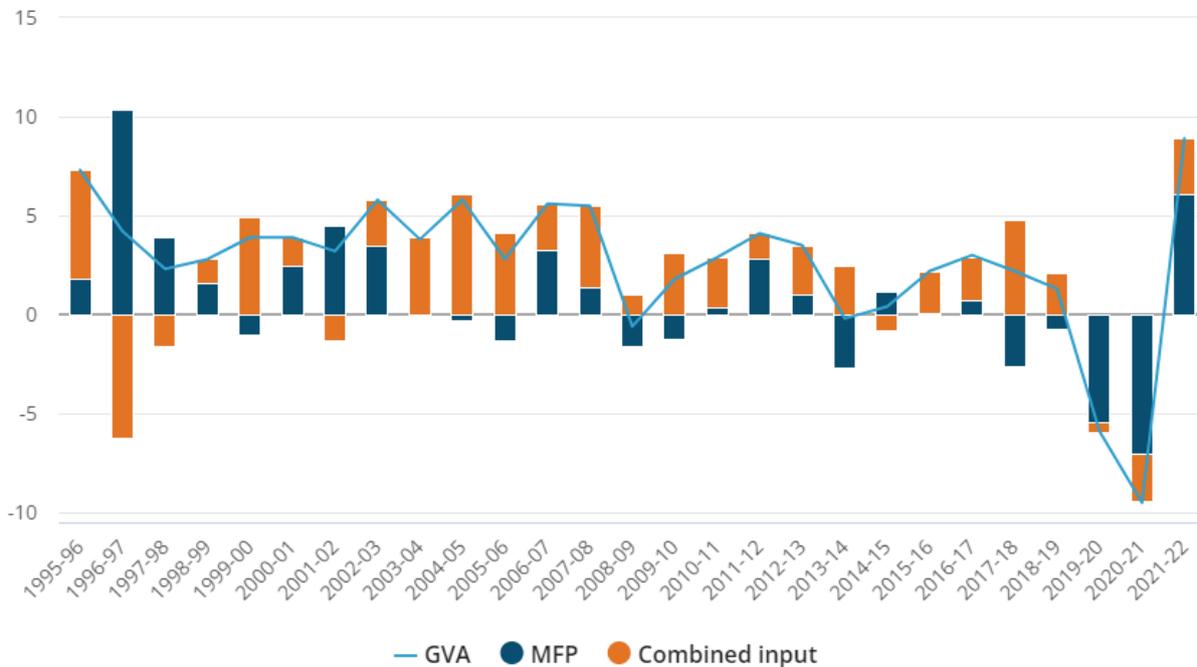
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<sup>1</sup> [Road deaths in crashes involving heavy vehicles – quarterly bulletin, Jan-Mar 2023](#). Bitre 2023.



**Figure 1: Quarterly counts of deaths in crashes involving heavy vehicles, Australia, with trends.** Source: bitre 2023.

Multifactor productivity in the ‘transport, postal and warehousing’ sector has generally been in decline since 2017-18<sup>2</sup> (Figure 2). While 6.1 percent growth was recorded in 2021-22, this is essentially an anomaly resulting from a COVID-related partial bounce-back.



**Figure 2: Contributions to GVA growth – Transport, postal and warehousing.** Source: ABS 2023.

<sup>2</sup> [Estimates of Industry Multifactor Productivity](#). ABS 2023.

#### **4. Easy Wins are Not Being Achieved**

In addition to there being little or no improvement in board measures of safety and productivity, there is also no progress on easy wins that could dramatically and permanently increase heavy vehicle productivity in Australia.

For example, upgrading the Sheahan Bridge on the Hume Highway could enable modern A-doubles to operate as general access vehicles between major freight hubs in Sydney and Melbourne. This would potentially improve productivity on each trip by around 33 per cent.

Similarly, upgrading the Bremer River Bridge on the Warrego Highway could facilitate modern A-double movements into Brisbane and surrounds with a similar productivity improvement expected.

The Strategy and NAP appear to be having no impact on fast tracking road infrastructure upgrades of critical important to Australia's national freight network.

#### **5. Progress on Critical Reforms is Painfully Slow**

While many of the initiatives identified in the Strategy are worthwhile in their own right, progress has been painfully slow and tangible outcomes not achieved. For example:

- The Heavy Vehicle National Law review commenced in 2018 and is yet to deliver even a draft new law. Further, it has failed to deliver a promised new approach for the next century;
- Reforms to heavy vehicle charging and infrastructure delivery have been underway for more than a decade with no outcome delivered;
- A review of the heavy vehicle licencing system has been underway since 2018 with not outcome delivered.
- Heavy vehicle road access arrangements have not fundamentally improved with the establishment of the National Heavy Vehicle Regulator (NHVR) in 2013. The NHVR remains merely a broker of access applications with actual decisions continuing to rest with state and local governments.

Against this background it is unsurprising that neither safety or productivity have measurably improved since 2019.

## **6. It is a Summary not a Strategy**

Given the lack of high-level safety and productivity improvements, mid-level regulatory reforms or even low-level improvements critical infrastructure, one must wonder why the Strategy, supported by a NAP, is failing to deliver.

Fundamentally, this is because it is a summary not a strategy.

A close examination of the NAP reveals that the plethora of actions under each critical action area is merely a consolidated list of initiatives already underway at various levels of government. In that sense, while a Strategy and NAP does exist, it remains business as usual.

## **7. Gaps in the Action Plan**

ATA suggests that safety and productivity should feature more prominently as core overarching pillars of the Strategy. These must both be factored into all other concurrent considerations.

The ATA agrees that decarbonisation and emissions reduction is a clear gap in the Strategy and NAP.

ATA suggests that resilient infrastructure, regulation and supply chains (including availability of critical inputs such as fuel and Adblue, drought management and preparedness for floods and bushfires) should be identified as a key theme.

ATA further suggests that a key aim should be to establish nationally consistent parameters/principles for planners to adopt at all levels of government.

## **8. Key Performance Indicators**

All strategic planning processes depend on the quality of their metrics for their success. Failing to set meaningful and measurable objectives at the start of the process just invites metric shifting at the end, where success is declared based on whatever statistics or anecdotes are conveniently available.

Unfortunately, the KPIs used to support the first national strategy are of limited assistance. On the whole—

- they are not consistent with other government strategies or cross-sectoral data sources
- they confuse agreements and policy decisions with on-the-ground results
- they confuse outputs (such as views of campaign material) with outcomes (increased support for freight)

- they present an undifferentiated list of completed, current and future infrastructure projects.

In developing the new strategy, the ATA recommends that—

- the necessary safety metrics in the strategy should be aligned with the National Road Safety Strategy
- productivity metrics should be aligned with the SNA definitions of productivity and derived from ABS data
- infrastructure projects should only be reported if they support freight productivity outcomes.

## **9. How to Move Forward**

The identification of key themes and action lists is a necessary for developing and implementing a genuine Strategy and NAP. However, this is only a first step.

Driving measurable change will also require a full gap analysis, development of new project proposals to fill those gaps, allocating a budget to support new projects, delegation of responsibility to a central government agency and coordination of across projects to limit overlap and capitalise on potential project synergies.

ATA and our members are willing to work with governments to develop a genuine Strategy and NAP.